



**THIRD ROUND
COAH COMPLIANCE REPORT
BUENA BOROUGH/ATLANTIC COUNTY
REGION # 6**

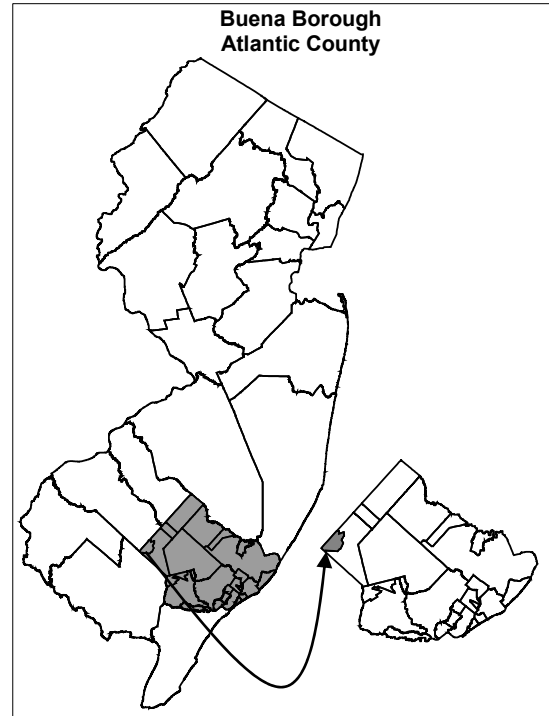
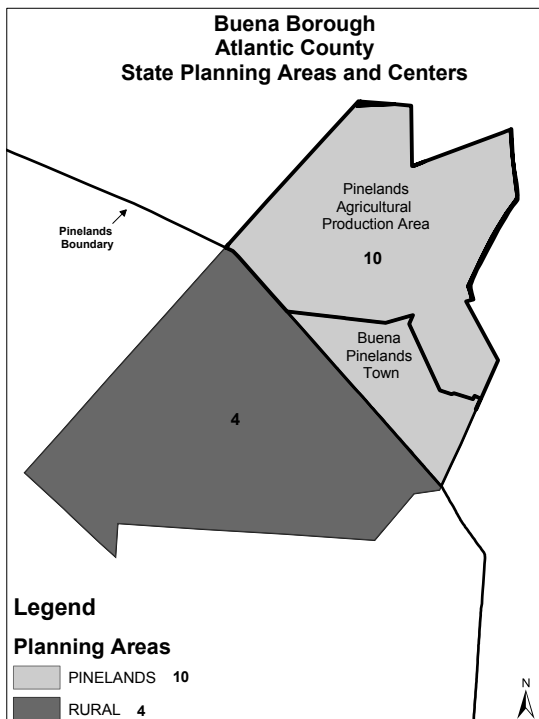


**Prepared by: Sarah Murphy, Assistant Planner
October 18, 2006**

I. INTRODUCTION

Buena Borough is located in the western most corner of Atlantic County and contains approximately 7.6 square miles.

On the State Plan Policy Map (SPPM) of the State Development and Redevelopment Plan (SDRP), Buena Borough is designated as Planning Area (PA) 4. The Pinelands Commission has jurisdiction over land uses and development in the northern portion of the Borough. Buena Borough does not contain



any centers designated by the State Planning Commission. A portion of the Pinelands section is designated as the Buena Pinelands Town Center. The remainder of the Pinelands section is a designated Pinelands Agricultural Production Area.

The Planning Board of the Borough of Buena adopted a Housing Element and Fair Share Plan on March 13, 2006, addressing its 1987-2014 total

affordable housing obligation. The Borough Council endorsed the Housing Element and Fair Share Plan on March 13, 2006. The Council on Affordable Housing (COAH) received Buena's Housing Element and Fair Share Plan and its resolution of petition for third round substantive certification on March 13, 2006 which is considered the official filing date. Buena published notice on April 12, 2006 in the *Press of Atlantic City*. During the 45-day objection period, which ended on May 29, 2006, no objections to the plan were received by COAH.

II. BACKGROUND

Buena Borough received interim second round substantive certification on November 22, 2004. The Borough's second round obligation was 75 units, consisting of 40 new construction units and 35 rehabilitation units. The plan included credit for 60 prior-cycle credits for an age-restricted apartment complex, four prior cycle credits for an alternative living arrangement, 13 post-1986 credits for three alternative living arrangements, and 35 rehabilitation credits for units previously rehabilitated under Atlantic County's ongoing rehabilitation program.

Buena petitioned COAH on March 13, 2006, with the third round Housing Element and Fair Share Plan that is reviewed in this report. COAH staff conducted a preliminary review of Buena Borough's Housing Element and Fair Share Plan dated July 26, 2006 which requested information in order for COAH planners to conduct an in-depth review and prepare a report pursuant to N.J.A.C. 5:95-5.2. In response, Buena Borough submitted supplemental information on August 11, 2006.

COAH issued a Report Requesting Additional Information, dated September 13, 2006, reviewing the Borough's March 13, 2006 petition. All of the required information and documentation was to be submitted to COAH within 90 days of receipt of the report pursuant to N.J.A.C. 5:95-5.2(b).

On October 13, 2006, Buena submitted all information and documentation requested in COAH's September 13th report with the exception of executed copies of the planning board's resolution adopting the amended Housing Element and Fair Share Plan

and the governing body's resolution endorsing the amended Housing Element and Fair Share Plan. Both resolutions are scheduled to be adopted on October 24, 2006 and must be provided to COAH by October 25, 2006. As there were no changes in sites, densities or other zoning requirements that resulted in a change of housing type on a specific site or a fundamental change in approach to how Buena proposes to meet its low- and moderate-income housing obligation, the amendments to the Borough's plan did not precipitate the need for a re-petition pursuant to N.J.A.C. 5:95-3.4. This report reviews Buena's amended Housing Element and Fair Share Plan.

III. HOUSING ELEMENT

Pursuant to N.J.S.A. 40:55D-28(b), the Housing Element is a required section of the Municipal Master Plan. The Housing Element must be designed to achieve the goal of access to affordable housing to meet existing and future housing needs with special attention given to low- and moderate-income households. In analyzing these needs, the Housing Element must include demographic information on existing and projected housing stock and employment characteristics as well as a quantification of low- and moderate-income housing need and consideration of the lands within the municipality that are most appropriate to accommodate such housing.

The Housing Element and Fair Share Plan submitted by Buena Borough included the minimum requirements prescribed by N.J.S.A. 52:27D-310 as required by N.J.A.C. 5:94-2.2.

Pursuant to N.J.A.C. 5:94-2.2(b), Buena Borough included the following supporting documentation with its petition:

1. A projection of the municipality's probable future construction of housing for 10 years covering the period January 1, 2004 through January 1, 2014; and
2. A projection of the probable future jobs and employment characteristics of the municipality for 10 years covering the period January 1, 2004 through January 1, 2014; and
3. A copy of the most recently adopted municipal master plan; and

4. A copy of the most recently adopted zoning ordinance; and
5. A copy of the most up-to-date tax maps of the municipality.

A. Demographic Analysis

Buena Borough's Housing Element indicates in 2000 that the Borough had 1,553 total housing units with 3,873 people residing in 1,454 occupied housing units, leaving 99 vacant units. The population of the Borough in 1990 was 4,441 people. Approximately 21.9 percent of the Borough's housing stock was constructed prior to 1939 and nearly 65.7 percent of the Borough's housing stock consists of single-family dwellings. According to the 2000 Census, the average household size for the Borough was 2.64 persons per household and the median age was 36.2 years of age. The following table compares median household income, median housing value and rent for the Borough, Atlantic County and the State of New Jersey, according to the 2000 Census:

	Median Household Income	Owner- occupied Units	Median Value	Renter- occupied Units	Median Gross Rent
Buena Borough	\$35,679	62.9 %	\$98,100	37.1 %	\$639
Atlantic County	\$43,933	66.4 %	\$122,000	33.6 %	\$677
New Jersey	\$55,146	65.6 %	\$170,800	34.4 %	\$751

An analysis of the existing jobs and employment characteristics of the municipality as required by N.J.A.C. 5:94-2.2(b)2 indicates that there were 132 total jobs in the Borough in 2003.

B. Third Round Fair Share Obligation

Buena Borough's third round total fair share obligation (1987-2014) consists of the sum of the Borough's rehabilitation share (1999-2014), the prior round obligation (1987-1999) and the Borough's third round growth share obligation (1999-2014). The

Borough's third round rehabilitation share is 14 units. Buena's prior round obligation is 40 units¹. Buena Borough's growth share obligation is determined pursuant to N.J.A.C. 5:94-1 et seq., which requires one affordable unit for every eight market rate units that receive a certificate of occupancy after January 1, 2004, and one affordable unit for every 25 jobs created by new or expanded development receiving a certificate of occupancy after January 1, 2004.

Growth Projections

Pursuant to N.J.A.C. 5:94-2.2(b)1 and 2, municipalities are required to project residential and non-residential growth based on certificates of occupancy issued since January 1, 2004; construction and demolition permits issued and projected; development application approvals; and historical trends of at least the past ten years. The municipal growth projections must then be compared to the SDRP Plan Projections for 2015 (or the MPO projections for that municipality if the Plan Projections are not available) to determine consistency, pursuant to N.J.A.C. 5:94-2.3.

Municipal Projections

Pursuant to N.J.A.C. 5:94-2.2(b)1 and 2, Buena Borough provided a projection of the municipality's probable future construction of housing and a projection of the probable future jobs and employment characteristics of the municipality for ten years covering the period January 1, 2004, through January 1, 2014, as follows:

Residential: Actual Growth since January 1, 2004:

Buena Borough's Housing Element indicates that 11 certificates of occupancy and six demolition permits were issued for residential units from January 1, 2004 to December 31, 2004. This information has been verified using the New Jersey Department of Community Affairs Construction *Reporter*. However, the plan did not include data for 2005. COAH instructed Buena to submit updated growth figures to include data for all of 2004 and 2005. Buena updated its projections and provided

¹ Due to recalculations performed as part of the development of COAH's third round rules and methodology, prior round obligations were adjusted as indicated in Appendix C of N.J.A.C. 5:94.

documentation indicating that 26 COs and 21 demolition permits were issued between January 1, 2004 and June 30, 2006 for a net actual growth of five units.

Residential: Projections to January 1, 2014:

Pursuant to N.J.A.C. 5:94-2.2(b)1, Buena is required to provide a projection of the Borough's probable future construction of housing for ten years covering the period January 1, 2004 through January 1, 2014. The Borough included certificates of occupancy and demolition permits issued and projected, approvals of applications for development and historical trends, of, at least, the past ten years, which includes demolitions and certificates of occupancy issued in its analysis pursuant to N.J.A.C. 5:94-2.2(b)1. Buena's historical trend indicates that during the period 1996-2006, a total of 78 new residential COs were issued and 36 units were demolished, for a net increase of 42 new residential units or just over four units per year.

Based on applications that have been approved and/or submitted and historical growth trends, the Borough anticipates that 152 additional certificates of occupancy and 22 demolition permits will be issued from January 1, 2005 to January 1, 2014 resulting in a total household growth, net of demolitions, of 130 units from January 1, 2005 to January 1, 2014. Adding the additional five units identified by the Borough to its growth projections, as updated for 2005, results in a total net residential growth of 135 units.

Buena's plan states that two major subdivisions (Block 207, Lot 63- 15 units and Block 201, Lot 48.01- 17 units) were approved in 2005 and are anticipated to be developed between 2006 and 2008. In addition, the Borough's plan indicates that the Buena Senior Housing project, which consists of 78 affordable age-restricted units located on Block 179, Lot 1, was approved. Buena's original Housing Element did not include the affordable units in the total growth projection. Buena's amended Housing Element added this development to the approved developments listed in Table R-3 and the total growth projection listed in Table R-5. The addition of these units is included in the Borough's 135-unit growth projection for the period January 1, 2004 through January 1, 2014.

Non-residential: Actual Growth since January 1, 2004:

Buena Borough's Housing Element indicates that there have been COs issued for 17,700 square feet of office space, 2,852 square feet of storage space, and 15,648 square feet of miscellaneous use from January 1, 2004 to December 31, 2004. This information did not match COs in the *Construction Reporter* nor did the plan include actual data for 2005. These discrepancies were corrected in the Borough's August 11th response to COAH's preliminary review. Buena's corrected analysis also noted that its historical trend was growth at the rate of an average of 12,731 square feet of non-residential space per year resulting in 14.7 jobs. Using the revised analysis in its supplemental submission, Buena identified actual growth of 88.8 jobs for the period January 1, 2004 through July 31, 2006.

Non-residential: Projections to January 1, 2014:

Pursuant to N.J.A.C. 5:94-2.2(b)1, Buena Borough is required to provide a projection of the probable future jobs and employment characteristics of the municipality for ten years covering the period January 1, 2004, through January 1, 2014. The Borough included historical trends for the past ten years which demonstrated certificates of occupancy and demolition permits issued. While the historical trend included in the Borough's plan indicates that non-residential development in Buena has resulted in growth at an average of eight to nine jobs per year, the supplemental information submitted to COAH indicates the trend to be 14.7 jobs per year and that Buena anticipates a continuation of this trend for the 7.4-year period August 1, 2006 through December 31, 2013. However, the Borough's supplement neglected to apply this annual rate to the period analyzed and projected only 14.7 jobs for the remainder of the entire 7.4-year period as opposed to 108.78 jobs ($14.7 \times 7.4 = 108.78$). Buena's amended Housing Element and Fair Share Plan corrects this and indicates that non-residential development in the Borough averages approximately 12,832 square feet per year from the period 1996 to July 31, 2006 producing an average of 14.8 new jobs per year. This projection of jobs is utilized for the period 2006-2013.

The Borough based its non-residential growth projection solely on historical trends of the past ten years. Buena anticipates that the non-residential development in the Borough will remain steady throughout the January 1, 2004, through January 1, 2014 period. The Borough's amended Housing Element illustrates 88.8 jobs based on actual growth and 14.8 jobs per year projected growth to result in 198.2 total jobs for the January 1, 2004, through January 1, 2014 period.

SDRP/MPO Consistency Review

Pursuant to N.J.A.C. 5:94-2.2(b)4, because SDRP Plan Projections for 2015 were not available when Buena Borough petitioned for third round substantive certification, Buena was required to provide the most recent municipal population, household, and employment growth projections published by the municipality's MPO. The MPO for Buena Borough is the SJTPO. Buena included SJTPO's household and employment projections for comparison to the Borough's projections.

The following tables provide the SJTPO's projections for the period 2004-2014:

Residential:

2015 SJTPO Population	-	2005 SJTPO Population	=	Population Change	÷	Household Size From Census	=	Household Growth
3,938	-	3,978	=	40	÷	2.64	=	15

Non-Residential:

2015 SJTPO Employment	-	2005 SJTPO Employment	=	SJTPO Employment Change
1,490	-	1,414	=	76

Buena Borough's amended Housing Element indicates that the residential growth projection would be 135 units and that non-residential growth in Buena is projected to be 198.2 jobs. In accordance with N.J.A.C. 5:94-2.3, Buena's household and employment

projections are above the SJTPO projections, and therefore have a presumption of validity in the petition for substantive certification.

Growth Share Obligation

The growth share obligation is determined pursuant to N.J.A.C. 5:94-1 et seq., which requires one affordable unit for every eight market rate units that receive a CO after January 1, 2004, and one affordable unit for every 25 jobs created by new or expanded development receiving a certificate of occupancy after January 1, 2004. Buena has updated its plan to include projections of 135 units of residential growth and 198 jobs that will result from COs issued between January 1, 2004 and January 1, 2014. As discussed below, some of this growth is excluded for the purpose of calculating the Borough's growth share obligation.

Residential

Buena's amended plan projects net residential growth to be 135 units. However, pursuant to N.J.A.C. 5:94-2.4(a), 78 affordable units from Buena Senior Housing Project may be excluded from the net growth for the purpose of determining the growth share obligation. Subtracting 78 exclusions from the total residential growth of 135 units results in residential growth of 57 market-rate units.

The Borough's total net market-rate residential growth of 57 units divided by eight results in a 7.13-unit residential growth share obligation.

Non-Residential

Buena's amended plan projected its non-residential growth to be 198.2 jobs. Pursuant to N.J.A.C. 5:94-2.4(b), the non-residential growth share obligation is one unit for every 25 new jobs that result from new or expanded non-residential development. Therefore, Buena has divided 198.2 by 25 to determine that its non-residential growth share obligation is 7.9 units.

Total Growth Share Obligation

The amended plan submitted by Buena addresses a 7.13-unit residential growth share obligation and a 7.9-unit non-residential growth share obligation for a total growth share obligation of 15 units.

Buena should note that pursuant to N.J.A.C. 5:94-2.4, the affordable housing obligation is based on actual growth that occurs within the municipality over time. COAH will compare the actual growth share obligation with the actual number of affordable housing units that have been constructed or provided for at the three-, five- and eight-year review periods. Pursuant to N.J.A.C. 5:95-9.1(c), when the difference between the number of affordable units constructed or provided in a municipality and the number of units required pursuant to N.J.A.C. 5:94-2.4 during the third year, fifth year and eighth year period of review results in a pro-rated production shortage of 10 percent or greater, COAH may direct the Borough to amend its plan to address the shortfall.

Summary of 1987-2014 Fair Share Obligation

Buena Borough's total 1987-2014 fair share obligation is 69 units, consisting of a prior round obligation of 40 units, a growth share obligation of 15 units and a third round rehabilitation share of 14 units.

The following table summarizes Buena Borough's total (1987-2014) fair share obligation:

	Rehabilitation Component	New Construction Component
Rehabilitation Share	14	
Prior Round Obligation		40
Growth Share Obligation (SJTP0)		15
Total 1987-2014 Obligation	69	

IV. FAIR SHARE PLAN

A municipal Fair Share Plan must describe the projects, strategies and funding sources, if applicable, by which a municipality proposes to address its affordable housing obligation as set forth in N.J.A.C. 5:94-2.4 and also includes the draft ordinances necessary to implement that plan.

In Buena Borough's submission of additional information, the Borough specified the affordable housing units which will address the 1987-1999 prior round obligation and those which will address the 1999 to 2014 growth share obligation in order for COAH staff to correctly calculate RCA and age-restricted maximums and to effectively evaluate the Borough's plan. Pursuant to N.J.A.C. 5:94-1.1(d)2, the prior round obligation must adhere to the provisions of N.J.A.C. 5:93-1 et seq. and the rehabilitation and growth share obligation must adhere to the provisions of N.J.A.C. 5:94-1 et seq., except for municipal minimum subsidy amounts for accessory apartments, buy-down units, and regional contribution agreements that are proposed for the first time, which must meet the minimum subsidy requirements of N.J.A.C. 5:94-1 et seq.

A. Rehabilitation Share

Pursuant to Appendix C of N.J.A.C. 5:94, Buena Borough has a third round rehabilitation share of 14 units. The Borough's Fair Share Plan indicates that 15 units were rehabilitated through the Atlantic County Improvement Authority Office of Community Development since April 1, 2000. Pursuant to N.J.A.C. 5:94-3.2(d), municipalities may receive credit for the rehabilitation of substandard low- and moderate-income units completed subsequent to April 1, 2000, if the unit was below code and raised to code, if an average of \$8,000 was expended on each unit, and if the occupants of these substandard units were income eligible pursuant to COAH regulations. According to COAH's Plan Administration Unit, all 15 units were verified to be below code and raised to standard. Applying eligible rehabilitation credits for past activity, the Borough has fully addressed its rehabilitation component. While rehabilitation credits may not exceed the Borough's rehabilitation share requirement, Buena will continue participation

in the Atlantic County Improvement Authority Community Development Program to capture additional rehabilitation opportunities if applicable. **[14-units rehabilitated]**

B. Prior Round Obligation (1987-1999)

Buena Borough's prior round fair share obligation consists of 40 units. The Borough's plan addressed this obligation with prior cycle credits that were included in the Borough's second round COAH-certified plan.

Credits

Pursuant to N.J.A.C. 5:94-3.2(a), a municipality may receive credits for housing activity prior to the date of its petition for substantive certification, provided such activity complies with the criteria in N.J.A.C. 5:93-1 et seq. Credits represent units that have been built, created or transferred through a completed regional contribution agreement (RCA).

Prior Cycle Credits

Pursuant to N.J.A.C. 5:93-2.15, prior cycle credits are credits given for affordable housing units produced between April 1, 1980 and December 15, 1986, provided the units are occupied by low- or moderate-income households and that the required controls on affordability are in place.

Parkview Gardens Senior Apartments

Buena Borough is eligible to receive 60 prior cycle credits for an age-restricted rental housing development known as Parkview Gardens Senior Apartments formerly known as the Daniel Muccio Senior Apartment Complex. This development was constructed by the Housing Authority of Buena Borough in 1981 and is subsidized by the Department of Housing and Urban Development. The units are restricted to income-

eligible households and the required controls on affordability are in accordance with N.J.A.C. 5:93-9.2. In the Borough's response to COAH's preliminary review, Buena stated that the 2005 Annual Monitoring Report for this project was submitted to the Buena Housing Authority for Parkview Gardens. On October 16, 2006, Buena submitted New Construction Project and New Construction Unit monitoring forms.

While prior cycle credits were characterized as neither age-restricted nor rental units during COAH's previous affordable housing rounds, Buena must note that any of these units (i.e. those in excess of the Borough's 40-unit prior round obligation) that are used as "surplus credits" toward the growth share obligation will be counted as age-restricted rental units for the purpose of the limitations and requirements set forth in N.J.A.C. 5:94-4.20 and N.J.A.C. 5:94-4.19. **[60 Prior Cycle Credits]**

Summary of Credits/Reductions/Adjustments

Based on the documentation submitted, Buena has a total of 60 prior cycle credits. The following table summarizes Buena's credits:

Credits/Reductions/Adjustments	Prior Round	
Obligation:	40	
Credits/Reductions/Adjustments	Plan	Eligible
<i>Parkview Gardens Senior Apartments</i>	60	60
Surplus Units:	20*	

*These surplus prior cycle credits will be characterized as age-restricted rental units for the purposes of applicability in the growth share portion of the Borough's plan.

Prior Round Regional Contribution Agreement

Pursuant to N.J.A.C. 5:93-6.1(a)3, Buena Borough may transfer up to one-half of its affordable housing obligation via a regional contribution agreement (RCA) in accordance with the following formula:

$$RCA \text{ Maximum} = .5 (\text{pre-credited need}^2 - \text{prior cycle credits} - \text{rehabilitation credits})$$

$$RCA \text{ Maximum} = .5 (54-40-14) = 0 \text{ units}$$

Based on this calculation, Buena Borough may not transfer any RCA units. Buena has not proposed an RCA.

Prior Round Age-Restricted Units

Pursuant to N.J.A.C. 5:93-5.14(a)3, Buena Borough may age-restrict 25 percent of its obligation based on the following formula:

$$\text{Age-Restricted Maximum} = .25 (\text{precredited need}^3 - \text{prior cycle credits} - \text{rehabilitation credits})$$

$$\text{Age-Restricted Maximum} = .25 (54-40-14) = 0 \text{ units}$$

Based on this calculation, Buena Borough may not age restrict any units in addressing its prior round obligation. Age-restricted prior cycle credits are excluded from this limitation when applied to the prior round obligation.

Prior Round Rental Component and Rental Bonuses

As per N.J.A.C. 5.93-5.15(a), every municipality has an obligation to provide a realistic opportunity for rental units. In Buena Borough, the rental obligation is equal to 25 percent of the Borough's new construction obligation based on the following formula:

² Due to recalculations performed as part of the development of COAH's third round rules and methodology, "Precredited Need" is the sum of "Total Obligation from Prior Rounds" and "Rehabilitation Share" as indicated in Appendix C of N.J.A.C. 5:94.

³ Due to recalculations performed as part of the development of COAH's third round rules and methodology, "Precredited Need" is the sum of "Total Obligation from Prior Rounds" and "Rehabilitation Share" as indicated in Appendix C of N.J.A.C. 5:94.

Rental obligation = .25 (precredited need – prior cycle credits – rehabilitation component)
Rental obligation = .25 (54-40-14) = 0 units

Based on this calculation, Buena Borough has no prior round rental obligation.

C. Growth Share Obligation

As noted above, Buena has calculated a growth share obligation of 15 units. Buena proposes to address its growth share obligation with five of the 20 surplus prior cycle age-restricted units from Parkview Gardens Senior Apartments and 15 units in four group homes. The following is a review of Buena's proposed approach to addressing this growth share obligation.

Completed Units

Pursuant to N.J.A.C. 5:94-3.2(a), a municipality may receive credits for housing activity prior to the date of its petition for substantive certification, provided such activity complies with criteria in N.J.A.C. 5:93-1 et seq. All units must be verified through fully completed and certified projects and unit monitoring forms. Alternative living arrangement units must also be verified by fully completed Alternative Living Arrangement Survey forms available on COAH's website. COAH received monitoring and survey forms on October 16, 2006. The following describes the four group homes included in the Borough's plan:

Vineland Development Center

Buena Borough is eligible to receive four prior cycle credits for a four-bedroom group home that was built in 1984. The Development Center serves individuals with developmental disabilities and is licensed by the Division of Developmental Disabilities.

The units are available to income-eligible households and the required controls on affordability are in accordance with N.J.A.C. 5:94-4.8 and N.J.A.C. 5:80-26.1 et seq.

In the Borough's response to COAH's preliminary review, Buena stated that the forms for Alternative Living Arrangements have been distributed to Vineland Development Center and upon receipt of final signed forms will be forwarded to COAH. COAH received the survey forms on October 16, 2006. **[4 prior cycle credits]**

Group Homes

Buena Borough is eligible for 11 post-1986 credits for three group homes, known as the Vineland Development Center (4 bedrooms), Elwyn (formerly the Training School at Vineland) (4 bedrooms), and Zion, Inc. (3 bedrooms). The Vineland Development Center received its certificate of occupancy in 1988. The Training School at Vineland received its certificate of occupancy in 1996. Zion, Inc received its certificate of occupancy in 1997. The units are available to income-eligible households and the required controls on affordability are in accordance with N.J.A.C. 5:94-4.8 and N.J.A.C. 5:80-26.1 et seq. The Training School at Vineland and the Vineland Development Center serve individuals with developmental disabilities and are licensed by the Division of Developmental Disabilities. Zion, Inc. serves individuals with mental disabilities and is licensed by the Division of Developmental Disabilities. **[11 credits]**

Surplus credits carried forward

Credits represent units that have been built, created or rehabilitated. Requested credits must be submitted on COAH Monitoring Forms with supporting documentation. Surplus credits represent eligible credits that exceed the prior round obligation, while excess credits represent units from a certified plan that were not previously eligible for credit because they exceeded permissible maximum limitations, such as the age-restricted maximum and the RCA maximum. The Borough should note that as per N.J.A.C. 5:94-4.19, Buena Borough may age-restrict 50 percent of its growth share obligation of 15 units. Therefore, Buena may include no more than seven age-restricted units in addressing its growth share obligation. Seven of the 20 surplus age-restricted prior cycle

credits are eligible for credit toward the growth share obligation. The remaining eight-unit growth share obligation must be addressed with non age-restricted units. Buena's plan relies on five of these units to address a portion of the growth share obligation. [5 surplus credits]

Proposed Units

Buena Gardens Senior Apartments

The Buena Gardens Senior Apartments consists of 78 affordable senior rental units located on Block 179, Lot 1. The project involves the redevelopment of the former Borough High School and is funded by low-income tax credits. The Borough's plan indicates that credits for the Buena Senior Housing Project will be applied to the Housing Plan upon issuance of COs. The Borough is not requesting credit for units at this time.

Growth Share Regional Contribution Agreement Maximum

As per N.J.A.C. 5:94-5.1(a), Buena Borough may transfer up to one-half of its growth share obligation via an RCA in accordance with the following formula:

$$RCA\ Maximum = .5 (growth\ share\ obligation)$$

$$RCA\ Maximum = .5 (15) = 7.5 = 7\ units$$

Based on this calculation, Buena may transfer seven of its units to address its third round growth share obligation. Buena's Housing Element and Fair Share Plan does not include an RCA.

Growth Share Age-Restricted Maximum

As per N.J.A.C. 5:94-4.19, Buena may age-restrict 50 percent of its growth share obligation addressed within a municipality based on the following formula:

Age-Restricted Maximum = .50 (growth share obligation-RCA units completed or proposed)

Age-Restricted Maximum = .5 (15-0) = 7.5 = 7 age-restricted units

Based on this calculation, Buena Borough may age-restrict seven units to address its growth share obligation. Buena proposes to use five of the 20 age-restricted prior cycle surplus credits in the Parkview Senior Apartments to address a portion of its third round growth share obligation of 15 units. As prior round surplus credits are subject to the age-restricted limitations set forth in N.J.A.C. 5:94-4.19, only seven of the 20 units from Parkview Senior Apartments may address the Borough's growth share obligation of 15 units. Buena has included five of these units in its plan.

Growth Share Rental Component and Rental Bonuses

As per N.J.A.C. 5.94-4.20(a), every municipality has an obligation to provide a realistic opportunity for rental units. In Buena Borough, the rental obligation is equal to 25 percent of the Borough's growth share obligation based on the following formula:

Rental obligation = .25 (growth share obligation)

Rental obligation = .25 (15) = 3.75 or 4 units

Buena's Housing Element and Fair Share Plan has fully addressed the third round growth share rental obligation of four units with 15 bedrooms in four group homes. Pursuant to N.J.A.C. 5.94-4.19, not more than 50 percent of the growth share obligation addressed within a municipality may be age-restricted housing in the Fair Share Plan. Therefore, two of the seven surplus age-restricted rental units could also be counted toward addressing the growth share rental obligation.

Summary of Growth Share Compliance Plan

Based on the documentation submitted, Buena has a growth share surplus of five units. The following table summarizes Buena's compliance plan to address its growth share obligation:

Growth Share		
Growth Share Obligation:	15	
	Plan	Eligible
Surplus Units from Parkview Senior Apartments	5	7
Vineland Development Center Group Home-Prior Cycle Credits	4	4
Vineland Development Center Group Home	4	4
Elwyn	4	4
Zion, Inc. Group Home	3	3
Buena Gardens Senior Apartments	0	0
Total 1999-2014 Units:	20	22
Growth Share Surplus:	5	

*Pending receipt of additional information

V. FAIR SHARE DOCUMENT REVIEW

A. Growth Share Ordinance

Buena's Third Round petition for substantive certification did not include a Growth Share Ordinance. While not a required compliance mechanism, a growth share ordinance would ensure that affordable housing opportunities are captured as actual growth occurs. COAH recommends that the Borough consider incorporating "growth share" provisions into its zoning ordinance to ensure that affordable housing opportunities are captured in direct relationship to development that actually occurs. Model provisions for a growth share ordinance are available on COAH's website at www.nj.gov/dca/coah/round3resources.shtml. If Buena wishes to incorporate such an ordinance into its fair share plan, the plan must be amended and submitted to COAH for review and approval along with a draft of the proposed ordinance.

B. Affordable Housing Ordinance

In the Borough's response to COAH's preliminary review, Buena stated that a Fair Share Ordinance (Ordinance No. 514) was adopted by Buena Borough on October 12, 2004. Buena further stated that Ordinance No. 514 will be reviewed and amended as necessary in conformance with N.J.A.C. 5:94(a)2. This adopted ordinance has been submitted to COAH for review and approval.

Buena has submitted a proposed Fair Share Ordinance that comports with the requirements of the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq. The Fair Share Ordinance conforms to the Uniform Housing Affordability Controls regarding pricing of affordable units, bedroom distribution, income limits of applicants for affordable housing and price controls of the affordable units. The draft proposed ordinance has also been amended to include the compliance with barrier free sub code of the State Uniform Construction Code Act (N.J.S.A. 52:27D-119 et seq.) and the accessibility requirements of N.J.S.A. 52:27D-123.15. This draft ordinance must be adopted within 45 days of COAH's grant of substantive certification and submitted to COAH immediately upon adoption.

Buena submitted Ordinance No. 538 adopted on September 11, 2006, which establishes that a municipal employee will hold the position of the municipal housing liaison. By resolution dated September 25, 2006, Buena designated its municipal housing liaison.

C. Development Fee Ordinance / Spending Plan

Buena did not include a development fee ordinance with its third round petition and consequently is not required to prepare a spending plan.

D. Affirmative Marketing Plan

Buena has submitted an affirmative marketing plan that comports with the requirements of the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et seq.

and ensures the units in the Borough's 1987-2014 Fair Share Plan and all future affordable housing units will be affirmatively marketed to the region upon initial sale/rental and re-sale/re-rental. Once approved by COAH, the affirmative marketing plan must be adopted by resolution and referenced in the Fair Share Plan by Buena within 45 days of COAH's grant of substantive certification.

E. Summary of Fair Share Plan for Total 1987-2014 Obligation

The following tables summarize Buena's Fair Share Plan addressing a Rehabilitation share of 14, a 1987-1999 recalculated prior round new construction obligation of 40 units and a 15-unit projected growth share obligation:

Rehabilitation Share		
Obligation:	14	
	Plan	Eligible
Previously Rehabilitated units	15	14
Total Eligible	14	

New Construction Obligation		
Prior Round Obligation:	40	
	Plan	Eligible
Parkview Gardens Senior Apartments-Prior Cycle Credits	60	60
Total Credits	60	60
Surplus*	20	

* Subject to limitations on age-restricted units pursuant to N.J.A.C. 5:94-4.19

Growth Share Obligation		
Projected Growth Share Obligation:	15	
Proposed Units	Plan	Eligible
Surplus Age-restricted Prior-Cycle Units from Parkview Senior Apartments*	5	7
Vineland Development Center Group Home I-Prior Cycle Credits	4	4
Vineland Development Center Group Home II	4	4
Elwyn	4	4
Zion, Inc. Group Home	3	3
Buena Gardens Senior Apartments	0	0
Total Proposed Growth Share Units	20	22
Projected Third Round Surplus	5	

VI. RECOMMENDATION

The amended Housing Element and Fair Share Plan submitted to COAH addresses the Borough's prior round obligation of 40 units with prior cycle credits from the Parkview Gardens development. The Borough's 14-unit rehabilitation share has been addressed through 15 units completed by the Atlantic County Improvement Authority. Buena's 15-unit projected growth share obligation is proposed to be addressed through five age-restricted units at Parkview Gardens and 15 eligible bedrooms in four separate alternative living arrangement facilities. All units have been completed and are occupied to result in 20 credits and a five-unit surplus.

COAH staff recommends that Buena Borough be granted third round substantive certification. Buena must adopt all necessary implementing ordinances within 45 days of the grant of substantive certification and submit certified copies of the adopted ordinances to COAH within seven days of the adoption. Buena must comply with COAH monitoring requirements as set forth in N.J.A.C. 5:94-9. Pursuant to N.J.A.C.

5:94-2.4, the affordable housing obligation is based on actual growth that occurs within the municipality over time. COAH will compare the actual growth share obligation with the actual number of affordable housing units that have been constructed or provided for at the three-, five- and eight-year review periods. Pursuant to N.J.A.C. 5:95-9.1(c), when the difference between the number of affordable units constructed or provided in Buena and the number of units required pursuant to N.J.A.C. 5:94-2.4 during the third year, fifth year and eighth year period of review results in a pro-rated production shortage of 10 percent or greater, COAH may direct Buena to amend its plan to address the shortfall.